

ENVIRONMENTAL AND SUSTAINABILITY POLICY

1 Purpose

We at Gunns are committed to sustainability and the responsible management of our environment. We seek to optimise the production of wood products from our natural, renewable resources while minimising our environmental footprint.

We respect and acknowledge the rights and interests of all those who live and work in the communities in which we operate. We believe in the importance of corporate social responsibility and we will consult with and provide feedback to all stakeholders, who are affected by or have interest in, our business to achieve a balance between economic viability, social contribution and environmental responsibility. This approach is critical in achieving environmental sustainability and in maintaining a social license for our business.

2 Scope

Forestry and Timber Divisions

3 References

- Gunns Forest Management Statement
- Gunns Annual Reports
- Gunns Sustainable Forest Management Reports
- Gunns Website - www.gunns.com.au

4 Definitions

Gunns adopts the internationally recognised definition of environmentally sustainable development as the underlying management principle i.e. development which meets the needs of the present without compromising the ability of future generations to meet their own needs.

AFS = Australian Forestry Standard.

ISO14001 = is a family of internationally recognised standards for environmental management systems that is applicable to any business or organisation, regardless of size, location or income.

PEFC = Program for the Endorsement of Forest Certification Schemes.

FSC = Forest Stewardship Council.

5 Procedural Principles

Gunns is committed to continuous improvement of its environmental performance and to demonstrate our commitment we will:

- Only produce wood products from responsibly and sustainably managed wood sources. We shall choose independent, recognised and credible certification systems that can measure and audit our processes to verify this, including maintaining certification to PEFC recognised AFS and ISO14001 and pursuing certification to FSC.

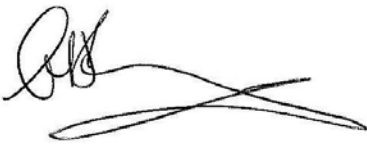
- Implement systems that trace the origins of our forest products to legally and sustainably managed resource.
- Ensure our suppliers and contractors share our commitment to sustainability and responsible environmental management.
- Provide appropriate training of employees in our sustainable management procedures and provide industry leadership to drive towards best practice systems, practices and products.
- Reserve a significant portion of our estate purely for conservation values, recreational and educational purposes.
- Manage our estate for conservation values including; soil, water & air quality, biological diversity, threatened species, wildlife habitat, old growth forest and cultural heritage.
- Implement and manage a robust integrated management system that delivers the high standards we set and complies with internationally recognised standards.
- Set challenging objectives and targets relating to resource sustainability and environmental policy which will be regularly reviewed as we strive to continually improve environmental outcomes.
- Minimise pollution and the generation of waste.
- Facilitate carbon capture and manage efficient energy use.
- Communicate our environmental performance to our employees, contractors, directors, shareholders and community stakeholder on a regular basis.
- Engage third parties to assess our performance against commitments made in this policy.
- Comply with all legislation, codes of practice and regulatory frameworks.

We will do all this to make sure we meet the needs of the present, without compromising the ability of future generations to meet their own needs. This is what we mean by "Making Sustainability Our Business"

6 Revision History

This document is identified as 'Environmental and Sustainability Policy'. A new version will be issued whenever significant changes occur.

Version	Changes	Date
V1.0	Original	June 2006
V2.0	Revised	January 2009
V3.0	Revised	May 2010

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